

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Room 3416, 700 West Capitol Avenue
Little Rock, Arkansas 72201-3225

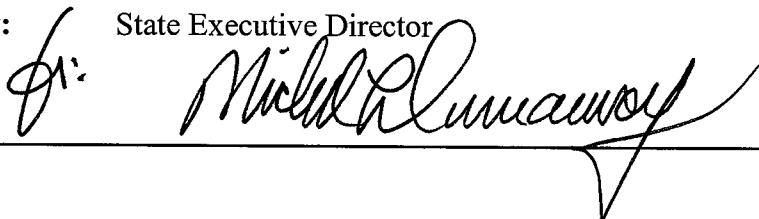
ARKANSAS NOTICE FLP-116

1951-S

For: All County Offices

Factors to be Used in Adjusting Current Market Value

Approved by: State Executive Director



1 Overview

This notice replaces Arkansas Notice FLP-80 that expired on October 1, 2003.

2 Purpose

The purpose of this Notice is to provide specific cost guidelines which have to be consistent statewide, and to provide guidance on the determination of costs which are somewhat consistent within the state, but may vary on a county to county or property to property basis.

3 Action

Farm Loan Managers are to input the following constant figures into the DALR\$ computer program.

The following information will be input into the DALR\$ Program as net recovery value constants.

Disposal

October 1, 2003

Distribution

All FSA County Offices

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3 Action (Continued)

Real Estate Factors:

1. The months held in inventory will be 6 months.
2. The sales commission rate will be 0.
3. Cost per Advertisement: Farm Loan Managers will contact at least one local newspaper to obtain a cost for advertising inventory farms in accordance with FmHA Instruction 1955-C. The contact must be documented and maintained in the FLP 16 management file.
4. The rate of change in value will be 2% Increase.

Chattel Security Factors:

1. Months held in inventory will be a 0.
2. Sales commission rate will be 9.0%.
3. Other sales cost rate will be 0.
4. Rate of change in value will be 0.

Administrative Liquidation Costs:

1. OL: Liquidation costs for OL will be \$1,577.00.
2. FO/SW: Liquidation costs for FO will be \$1,577.00
3. EM/EE: Liquidation costs for EM/EE will be \$1,577.00
4. RH: Liquidation costs for RH will be \$1,577.00

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3 Action (Continued)

5. Real Estate and Real Estate/Chattel costs will be:

Western District of Arkansas \$1,094.00

*Eastern District of Arkansas \$1,427.00

6. Chattel only costs will be:

Western District of Arkansas \$1,094.00

*Eastern District of Arkansas \$1,427.00

*For those Farm Loan Offices that have both Eastern and Western Districts involved, the \$1,094.00 will be entered as the constant. The difference of \$333.00 will be added to the net recovery screens as an other expenses for those borrowers located in the Eastern District when calculating DALR\$.

7. Property management costs: \$284.00

4 **Inquires** If there are questions about this notice, contact Cully Culpepper,
Farm Loan Specialist, Farm Loan Division at (501) 301-3042.